

THE TACOMA NARROWS BRIDGE ACCOUNT
WASHINGTON STATE DEPARTMENT OF TRANSPORTATION

STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
State Fiscal Year 2012, Quarter Ending December 31, 2011

	NOTES	JULY THROUGH SEPTEMBER	OCTOBER THROUGH DECEMBER	YEAR-TO-DATE
OPERATING REVENUES:				
Tolling Revenue	1	11,787,852	10,867,594	22,655,446
Violation Penalty Revenue		0	46,366	46,366
Transponder Sales	2	110,037	65,828	175,865
Miscellaneous Revenue	3	8,043	28,085	36,127
Total Operating Revenues		11,905,931	11,007,873	22,913,804
OPERATING EXPENDITURES:				
Goods and Services				
Toll CSC Operations Vendor Contract		312,041	343,645	655,686
Toll Booth and Lane Vendor Contract		840,511	549,316	1,389,827
Insurance		1,486,315	0	1,486,315
Credit Card and Bank Fees		222,914	188,911	411,825
Transponder Cost of Goods Sold	4	93,204	37,064	130,269
Other	5	40,140	58,433	98,573
Personal Service Contracts	6	3,984	55,115	59,099
Salaries and Benefits		120,036	121,910	241,946
Infrastructure Maintenance & Preservation	7	31,703	36,635	68,339
Total Operating Expenditures		3,150,849	1,391,030	4,541,879
EXCESS OF OPERATING REVENUE OVER EXPENDITURES		8,755,082	9,616,843	18,371,925
NONOPERATING INCOME (EXPENDITURES)				
Prior Period Recoveries		0	44	44
Undistributed Receipts/Suspense	8	(60,126)	(27,436)	(87,562)
Interest Income		17,915	26,219	44,134
Total Nonoperating Income (Expenditures)		(42,211)	(1,174)	(43,384)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES		8,712,871	9,615,669	18,328,541
OTHER FINANCING SOURCES (USES)				
Operating Transfers Out	9	(10,212,126)	(7,039,209)	(17,251,335)
Total Other Financing Sources (Uses)		(10,212,126)	(7,039,209)	(17,251,335)
NET CHANGE IN FUND BALANCE		(1,499,255)	2,576,460	1,077,206
FUND BALANCE - BEGINNING		8,123,673	6,624,418	8,123,673
FUND BALANCE - ENDING		6,624,418	9,200,879	9,200,879

Toll Financial Statements were prepared in accordance with Generally Accepted Accounting Principles for governmental fund types.

The notes to the financial statements are an integral part of this statement.

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Notes:

Backlogged Financial Reconciliations - As of February 13, 2011, WSDOT transitioned tolling customer service center operations to a new vendor – Electronic Transaction Consultants Corporation (ETCC). With this transition, the new ETCC system encountered problems in the accuracy and timeliness of recording revenue and other accounting transactions. WSDOT and ETCC have investigated and corrected accounting records for known discrepancies. While we are not aware of material discrepancies in the accounting records, ETCC has not completed key reconciliations which ensure timely and accurate processing of financial transactions. Upon completion of these reconciliations, any discrepancies identified will be addressed and necessary correcting adjustments will be made.

Deferred Sales Tax Obligation – Beginning December 2012, the Tacoma Narrows Bridge (TNB) Account is required to pay \$5.7 million, each December for ten consecutive years, to the Department of Revenue for deferred sales tax related to the construction of the Tacoma Narrows Bridge. This long-term obligation is reflected in the General Long Term Obligations Subsidiary Account.

Motor Vehicle Account Obligation – The TNB Account is obligated to repay \$5.288 million loaned from the Motor Vehicle Account during the 05/07 biennium. As directed by legislation, all net TNB Civil Penalty Revenue received under the future Notice of Civil Penalty Adjudication process must be transferred to the Motor Vehicle Account as repayment of the outstanding obligation until the full amount of the original loan (\$5.288 million) has been repaid.

Detailed Notes:

- 1 Tolling Revenue represents the revenue earned, net of any adjustments, from vehicles traveling over the Tacoma Narrows Bridge in an eastbound direction. Tolls are collected either at a toll booth or via an electronic toll account or via pay-by-mail.
- 2 Transponder Sales represents the sale of transponder devices purchased by potential Good to Go electronic toll account customers.
- 3 Miscellaneous Revenue includes administrative & statement fees, NSF check fees, and cash over. Miscellaneous revenue also includes payments related to sale of surplus property.
- 4 Transponder Cost of Goods Sold represents the cost of transponders including the purchase price of transponders, packaging materials, and costs for postage.
- 5 Other Goods and Services expenditures include items such as supplies, communications, rents, repairs, services provided by outside vendors, etc.
- 6 Personal Service Contract expenditures are for costs incurred for traffic and revenue forecast consulting and CSC operations consulting.
- 7 Infrastructure Maintenance & Preservation includes the cost of maintenance and bridge preservation activities on the new Tacoma Narrows Bridge not performed by TNB Toll Operations staff. (These costs include Goods and Services of \$27,275 and Salaries and Benefits of \$41,064.)
- 8 Undistributed Receipts includes all suspense revenue. This includes suspense of cash toll revenue that occurs as cash moves in and out of the account. Where applicable, suspense revenue is analyzed and periodically reclassified to the appropriate revenue source or expense item.
- 9 Operating Transfers Out is a transfer of toll proceeds and cash from the TNB Account to the Highway Bond Retirement Account to facilitate the payment of debt service.